



WILLIAM T FUJIOKA  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

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*"To Enrich Lives Through Effective And Caring Service"*

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August 05, 2014

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

27 August 5, 2014

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

**DEPARTMENT OF PUBLIC WORKS:  
CAMP VERNON KILPATRICK REPLACEMENT PROJECT  
AWARD AGREEMENT  
CAPITAL PROJECT NO. 77295  
(THIRD DISTRICT)  
(3 VOTES)**

**SUBJECT**

This is a joint recommendation with the Chief Probation Officer to award a service agreement for demolition/abatement services for the Camp Vernon Kilpatrick Replacement Project.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the recommended action is within the scope of the previously adopted Mitigated Negative Declaration for the Camp Vernon Kilpatrick Replacement Project.
2. Award and authorize the Director of Public Works, or her designee, to execute an agreement with National Demolition Contractors, to provide demolition/abatement services for the Camp Vernon Kilpatrick Replacement Project for a \$1,485,300 not-to-exceed fee, and to establish the effective date following Board approval, delivery of Faithful Performance, Materials, Labor Bonds, and insurance certificates within 30 days, and amend the contract and, if necessary, terminate the contract.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended action will find the recommended action within the scope of the previously adopted Mitigated Negative Declaration (MND) for the Camp Vernon Kilpatrick Project

(Project), and allow the Department of Public Works (Public Works) to proceed with providing a rough graded site and hazmat removal for the Design Builder to construct the new replacement camp.

## Background

In November 2013, the Board adopted the MND and Mitigation Monitoring and Reporting Program for the Project; approved the revised Project scope and revised total Project budget of \$48,223,000; approved consultant agreements; authorized the Chief Executive Officer, the Chief Probation Officer, and the Director of Public Works to execute agreements related to the State grant for the Project; and authorized the Director of Public Works, or her designee, to carry out the Project.

To prepare the Camp Vernon Kilpatrick (Camp Kilpatrick) site for construction of a new replacement camp, the existing structures will be demolished and hazardous materials removed and disposed of. The existing kitchen and the swimming pool will remain intact. The demolition and abatement work will be accomplished by using a service agreement. The duration of the demolition/abatement services is anticipated to be 150 calendar days.

In June 2014, National Demolition Contractors was selected as the best qualified proposer to perform the demolition/abatement, based on their qualifications and experience, for a \$1,485,300 not-to-exceed fee. National Demolition Contractors was selected from a list of four contractors who submitted qualifications in response to a Request for Proposal (RFP) issued on April 28, 2014.

Construction of the new facilities will be performed under the design-build delivery method. We will return to the Board to recommend award of a design-build contract following the issuance of a design-build RFP, review, and evaluation of proposals.

## State Reimbursement Obligation Under SB 81

In January 2012, the Board directed the Chief Executive Officer to report back on the State's ability to meet its reimbursement obligations under the Senate Bill (SB) 81 grant upon completion of design activities on the Project and obtain Board authorization to proceed with construction activities. Scoping documents are now completed and Public Works is prepared to proceed with demolition activities and issuance of the design-build RFP.

Since 2012, the State's fiscal situation has changed. The State's \$26.6 billion budget deficit and estimated annual shortfalls of approximately \$20 billion will be eliminated by a combination of budget cuts, voter approved temporary taxes, and the recovering economy.

The State recently passed the Fiscal Year (FY) 2014-15 State Budget of \$156.4 billion, which includes directing a deposit of \$1.6 billion into a Rainy Day Fund, the first such deposit made since 2007. The Rainy Day Fund will allow the State to save for the future while paying its debts and unfunded liabilities. By FY 2017-18, the fund is expected to grow to \$4.6 billion. The measure to establish the Rainy Day Fund will be brought before the voters in November 2014. The proposed Rainy Day Fund will:

- Increase deposits when the State experiences spikes in capital gains revenue and require annual deposits;
- Require supplemental payments to accelerate payoffs of the State's debts and liabilities;

- Raise the maximum size of the Rainy Day Fund to 10 percent of the General Fund revenues;
- Allow transfers to be suspended and withdrawals to be made from the Rainy Day Fund when needed during recessions within prescribed limits; and
- Create a Proposition 98 reserve to smooth school spending and avoid future cuts.

The FY 2014-15 State Budget will reduce the State's debt by more than \$10 billion, including paying off the Economic Recovery Bonds one year ahead of schedule, repaying various special fund loans, and reimbursing \$100 million in mandate claims that have been owed to local governments since 2004. Under this budget, the State's debt would be completely eliminated by FY 2017-18.

With the anticipated establishment of the Rainy Day Fund, the aim of the State to pay down debt and the State's debt being completely eliminated by FY 2017-18, it appears the State has the ability to meet its reimbursement obligation under the SB 81 grant.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs that we provide Operational Effectiveness/Fiscal Sustainability (Goal 1), by maximizing the effectiveness of process, structure, operations and strong fiscal management, to support timely delivery of customer-oriented and efficient public services. It also directs us to provide Integrated Services Delivery (Goal 3), by maximizing opportunities to measurably improve client and community outcomes and leverage resources through the continuous integration of health, community, and public safety services to provide a facility that enhances operations and the delivery of Probation youth rehabilitative services.

### **FISCAL IMPACT/FINANCING**

The \$48,223,000 total Project cost estimate for the Project includes plans and specifications, consultant services, construction cost, change order contingency, County services, civic art, and demolition cost. National Demolition Contractors has agreed to provide the demolition/abatement services for a \$1,485,300 total not-to-exceed fee for the Project.

The Project is funded with \$28,728,000 of State revenue from the Construction, Expansion, or Renovation of Local Youth Offender Rehabilitative Facilities Construction Program, and \$19,495,000 of prior year net County cost.

There is sufficient funding for this demolition/abatement service agreement budgeted within the Capital Projects/Refurbishments Budget under Capital Project No. 77295.

A list of proposers and their ranking is included in Attachment A.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

A standard Agreement, in the form previously approved by County Counsel, will be used. The contract will contain terms and conditions supporting the Board's ordinances, policies, and programs, including but not limited to, County's Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) Programs, Board Policy No. 5.050; Contract Language to assist in placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law) Board Policy No. 5.135; Contractor Employee Jury Service Form,

Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Earned Income Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board-directed clauses that provide for contract termination or renegotiation.

The Project specifications contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

The Project specifications recommended a Local Worker Hiring Program for the Project. The selected proposer is required to make a good-faith effort to employ qualified local workers to perform at least 30 percent of the total California craft worker hours.

"Local residency" is defined with a two tier system-first preference will be given to qualified workers residing within the County in zip codes within a 5-mile radius of the proposed project; and second preference given to qualified workers residing within the County in any zip code having one or more census tracts with an unemployment rate in excess of 150 percent of unemployment rate for the County as a whole or a Bank Enterprise Award Distressed Community.

National Demolition Contractors is in full compliance with Los Angeles County Code, Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

## **ENVIRONMENTAL DOCUMENTATION**

On November 26, 2013, the Board adopted the MND, and Mitigation Monitoring and Reporting Program for the Project. The recommended actions are within the previously adopted MND. There have not been substantial changes to the Project since the time of approval.

## **CONTRACTING PROCESS**

National Demolition Contractors was selected through a competitive process to provide demolition/abatement services for the Project. On April 28, 2014, the RFP was publicly advertised on the Doing Business with Us website. On May 27, 2014, five contractors submitted proposals for evaluation. One proposal was determined to be nonresponsive to the Project requirements. The four remaining proposals were evaluated.

A committee made up of members from Public Works evaluated the proposals. The selection was made based on each contractor's technical expertise, proposed work plan, experience, personnel qualifications, understanding of work requirements, and price. These evaluations were completed without regard to race, creed, color, or gender. Based on the review and evaluation of the proposals, National Demolition Contractors was found to be the best value to perform abatement/demolition services.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Camp Kilpatrick is currently not occupied. There will be no impact on current County projects during the performance of the recommended actions. In March 2014, Camp Kilpatrick was closed in

anticipation of demolition and construction activities. All youth remaining in Camp Kilpatrick prior to the closure were assessed by the Department of Mental Health and program staff and were reassigned to appropriate treatment camps. Relocating the youth to other Probation facilities will minimize the disruption to such services due to demolition and construction activities.

The Sports Program at Camp Kilpatrick was suspended for the spring 2014 sports season. The Sports Program is anticipated to resume for the fall 2014 sports season at Probation's Challenger Memorial Youth Center.

## **CONCLUSION**

Please return one adopted copy of this Board letter to the Chief Executive Office, Facilities and Asset Management Division; Probation Department; and Department of Public Works, Project Management Division II.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer



JERRY E. POWERS  
Chief Probation Officer

WTF:SHK:DJT  
TJ:AH:zu

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel  
Arts Commission  
Mental Health  
Probation  
Public Works

August 5, 2014

**ATTACHMENT A**

**DEPARTMENT OF PUBLIC WORKS:  
CAMP VERNON KILPATRICK REPLACEMENT PROJECT  
AWARD AGREEMENT - SPECS. 7281; C.P. 77295  
(THIRD DISTRICT) (3 VOTES)**

Firm	Type of Score	Evaluator					Rank
		1	2	3	Total	Average Total	
		Score	Score	Score			
National Demolition Contractors	Written Evaluation	66	71	65	202	67.33	1
	Total	66	71	65	202		
AMPCO Contracting Inc.	Written Evaluation	62	64	61	187	62.33	2
	Total	62	64	61	187		
AD Improvements, Inc.	Written Evaluation	56	50	55	161	53.67	3
	Total	56	50	55	161		
Interior Demolition, Inc.	Written Evaluation	45	47	46	138	46	4
	Total	45	47	46	138		